

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN THE MATTER OF:

PALMAS COUNTRY CLUB, INC.

Debtor

CASE NO. 10-07072 ESL

CHAPTER 11

ORDER

This case is before the court upon the joint motion to authorize the sale of substantially all of debtor's assets under section 363 of the Bankruptcy Code, free and clear of all liens, claims, interests and encumbrances, filed by Palmas Country Club, Inc. ("PCCI", or "Debtor"), and the Puerto Rico Tourism Development Fund ("TDF"), filed on August 17, 2010 (Dkt. #22) as supplemented (Dkt. #24).

After considering the joint request, the court hereby authorizes that notice be given following the proposed notice of sale attached as an exhibit to the motion, that the time to respond be shortened to fourteen (14) days, and to specify that timely objections will be heard on September 27, 2010 at 10:00 a.m.

Notwithstanding the above, and considering that the Debtor has not filed the schedules nor the statement of financial affairs; and that the 341 meeting of creditors has been scheduled for September 12, 2010, the court advances that the joint movants shall come prepared to brief the court on the following matters:

1. That there is a good business reason to approve the sale of substantially all of Debtor's assets, prior to confirmation of a Chapter 11 plan. In Re Lionel Corp., 772 F.2d 1063 (2d. Cir. 1983).
2. That all parties in interest have been given an opportunity to be heard. A debtor in possession has fiduciary duties as to all creditors and parties in interest.

